

# A BILL

FOR AN ACT PROVIDING FOR A UNIFORM POLICY TO BE USED EXCLUSIVELY BY  
ALL FIRE INSURANCE COMPANIES DOING BUSINESS IN THE STATE OF  
IOWA.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- Section. 1. It shall be unlawful for any fire insurance company to issue any fire insurance policies on property in this state, other than those of standard form herein set forth, except as follows, to-wit:
- First. A company may print on or in its policies its name, location and date of incorporation, the amount of its paid up capital stock, the names of its officers and agents, the number and date of the policy, and the amount under a dollar mark for which it is issued, and, if it is issued through an agent, the words, "This policy shall not be valid until countersigned by the duly authorized agent of the company at....."
- Second. A company may use or print in its policies printed forms of description and specifications of the property insured, including permits for the use of electricity, gasoline, or storage of other extra-hazardous products or material; also for repairs and improvements, for the operation or ceasing to operate, or for the maintenance of sprinklings or other improvements, also a loss payable clause as follows:
- Loss, if any, under this policy payable to....., as.....  
interest may appear, subject to all the conditions of said policy.
- This form to attach to and form a part of policy No..... of.....  
Insurance Company, of....., issued at their.....agency
- Dated..... Agent.....
- Also a distribution clause whereby it is agreed that in case of loss said policy shall attach in or on each building or division in such proportion as the value in or on each building or division bears to the aggregate value of the subjects insured, which may be attached to and form a part of said policy, and dated and countersigned by the agent of said company.

23       Also a reduced rate agreement, whereby it may be provided that, in consideration of the  
24 acceptance by the assured of a reduced rate clause, a reduction from the established premium  
25 rate of — per cent to — per cent has been allowed on said insurance, and in consideration  
26 of said reduction in the rate of premium it may be mutually understood and agreed that the  
27 insurance company in case of loss or damage, shall be liable for such portion only of the loss  
28 or damage as the amount of its policy shall bear to — per cent of the actual cash value of  
29 the property covered by said policy at the time of the fire, and that said clause shall apply to  
30 each item or division insured under said policy, and providing that if the whole insurance  
31 shall be greater than — per cent of the value of the property covered that said company  
32 shall not be liable for a greater portion of the loss or damage than the amount insured by said  
33 policy bears to the whole insurance covering the property at the time of the fire, which clause  
34 may also be attached and dated and signed by said agent of said company.

35       Third. The company insuring against damages by lightning as well as by fire, may print  
36 in the clause enumerating the perils insured against the following:

37       "This policy shall cover any direct loss or damage caused by lightning (meaning thereby  
38 the commonly accepted use of the term lightning, and in no case to include loss or damage by  
39 cyclone, tornado, or windstorm), not exceeding the sum insured nor the interest of the insured  
40 in the property, and subject in all other respects to the terms and conditions of this policy;  
41 providing, however, if there shall be any other insurance on said property this company shall  
42 be liable only pro rata with such other insurance for any direct loss by lightning, whether such  
43 other insurance be against direct loss by lightning or not; which may be attached to said policy  
44 and signed and dated by said agent."

45       Fourth. A company may also use in its policies printed form of an iron safe clause,  
46 providing that the assured shall agree and covenant to keep a set of books showing complete  
47 records of business transacted, including all purchases and sales of every kind, together with  
48 the last inventory of said business and stock; and further covenants and agrees to keep such  
49 books and inventory securely locked in a fire-proof safe at night and at all times when the  
50 store mentioned in said policy is not actually open for business, or in some secure place not  
51 exposed to a fire which would destroy the house where such business is carried on, and in case  
52 of loss the assured agrees and covenants to produce such books and inventory, and in the  
53 event of failure to produce the same said policy shall be deemed null and void, and no suit or  
54 action at law shall be maintained thereon for any such loss, which may be attached to said  
55 policy of the company and dated and signed by its agent.

56       Fifth. Also a provision providing for a three-quarter value limit clause, which shall  
57 provide that in the event of loss the company shall not be liable for an amount greater than  
58 three-fourths of the actual cash value of the interest of the assured in the property described  
59 at the time of the loss, and limiting the other concurrent insurance to three-fourths of the  
60 cash value of the property described in said policy, which may be dated and signed by the  
61 agent of said company.

62       Sixth. Any company incorporated or formed in this state may print in its policy any pro-  
63 visions which it is authorized or required by law to insert therein, and any company not  
64 incorporated or formed in this state may, with the approval of the auditor or insurance com-  
65 missioner of this state, so print any provision required by its charter or deed of settlement, or  
66 by the laws of its own state or country, not contrary to the laws of this state.

67       Seventh. The blanks in said standard form may be filled in print or in writing.

68       Eighth. A company may print upon policies issued in compliance with the preceding  
69 provisions of this section the words, "Iowa standard policy".

70       Ninth. The said standard form policy shall be plainly printed, and no portion thereof  
71 shall be type smaller than long primer, and shall be in its terms and conditions as follows, to-wit:

72       In consideration of the stipulations herein named and of..... dollars premium  
73 does insure..... for the term of..... from the..... day of  
74 ..... 190.. at noon, to the..... day of..... 190.. at noon, against all  
75 direct loss or damage by fire, except as hereinafter provided, to an amount not exceeding  
76 ..... dollars, to the following described property, while located and con-  
77 tained as described herein, and not elsewhere, to-wit:

78 .....  
79 .....  
80 .....

81       The company shall not be liable beyond the actual cash value of the property at the time  
82 any loss or damage occurs, and the loss or damage shall be ascertained or estimated according  
83 to such actual cash value, with proper deduction for depreciation however caused, and shall in  
84 no event exceed what it would then cost the insured to repair or replace the same with mate-  
85 rial of like kind and quality; said ascertainment or estimate shall be made by the insured  
86 and this company, or, if they differ, then by appraisers, as hereinafter provided; and, the  
87 amount of loss or damage having thus been determined, the sum for which this company is  
88 liable pursuant to this policy shall be payable sixty days after due notice, ascertainment,

89 estimate, and satisfactory proof of the loss have been received by this company in accordance  
90 with the terms of this policy. It shall be optional, however, with this company to take all, or  
91 any part, of the articles at such ascertained or appraised value, and also to repair, rebuild, or  
92 replace the property lost or damaged with other of like kind and quality within a reasonable  
93 time on giving notice, within thirty days after the receipt of the proof herein required, of its  
94 intention so to do; but there can be no abandonment to this company of the property  
95 described.

96 This entire policy shall be void if the insured has concealed or misrepresented, in writing  
97 or otherwise, any material fact or circumstance concerning this insurance or the subject  
98 thereof; or if the interest of the insured in the property be not truly stated herein; or in case  
99 of any fraud or false swearing by the insured touching any matter relating to this insurance  
100 or the subject thereof, whether before or after a loss.

101 This entire policy, unless otherwise provided by agreement indorsed hereon or added  
102 hereto, shall be void if the insured now has or shall hereafter make or procure any other con-  
103 tract of insurance, whether valid or not, on property covered in whole or in part by this policy;  
104 or if the subject of insurance be a manufacturing establishment and it be operated in whole  
105 or in part at night later than ten o'clock, or if it cease to be operated for more than ten con-  
106 secutive days; or if the hazard be increased by any means within the control or knowledge of  
107 the insured; or if mechanics be employed in building, altering, or repairing the within de-  
108 scribed premises for more than fifteen days at any one time; or if the interest of the insured  
109 be other than conditional and sole ownership; or if the subject of insurance be a building on  
110 ground not owned by the insured in fee simple; or if the subject of insurance be personal  
111 property and be or become incumbered by a chattel mortgage; or if, with the knowledge of  
112 the insured, foreclosure proceedings be commenced or notice given of sale of any property  
113 covered by this policy by virtue of any mortgage or trust deed; or if any change, other than by  
114 the death of an insured, take place in the interest, title or possession of the subject of insur-  
115 ance (except change of occupants without increase of hazard) whether by legal process or  
116 judgment or by voluntary act of the insured; or otherwise; or if this policy be assigned before  
117 a loss; or if illuminating gas or vapor be generated in the described building (or adjacent  
118 thereto) for use therein; or if (any usage or custom of trade or manufacture to the contrary  
119 notwithstanding) there be kept, used, or allowed on the above described premises, benzine,  
120 benzole, dynamite, ether, fireworks, gasoline, Greek fire, gunpowder exceeding twenty-five  
121 pounds in quantity, naphtha, nitro-glycerine or other explosives, phosphorus, or petroleum or

122 any of its products of greater inflammability than kerosene oil of the United States standard.  
123 (which last may be used for lights and kept for sale according to law but in quantities not  
124 exceeding five barrels, provided it be drawn and lamps filled by daylight or at a distance not  
125 less than ten feet from artificial light); or if a building herein described, whether intended for  
126 occupancy by owner or tenant, be or become vacant or unoccupied and so remain for ten days.

127 This company shall not be liable for loss caused directly or indirectly by invasion, insur-  
128 rection, riot, civil war or commotion, or military or usurped power, or by order of any civil  
129 authority; or by theft; or by neglect of the insured to use all reasonable means to save and  
130 preserve the property at and after a fire or when the property is endangered by fire in neigh-  
131 boring premises; or (unless fire ensues, and, in that event, for the damage by fire only) by  
132 explosion of any kind, or lightning; but liability for direct damage by lightning may be  
133 assumed by specific agreement hereon.

134 If a building or any part thereof fall, except as the result of a fire, all insurance by this  
135 policy on such building or its contents shall immediately cease.

136 This company shall not be liable for loss to accounts, bills, currency, deeds, evidences  
137 of debt, money, notes or securities; nor, unless liability is specially assumed hereon, for loss to  
138 awnings, bullion, casts, curiosities, drawings, dies, implements, jewels, manuscripts, medals,  
139 models, patterns, pictures, scientific apparatus, signs, store or office furniture or fixtures,  
140 sculpture, tools, or property held on storage or for repairs, nor, beyond the actual value  
141 destroyed by fire, for loss occasioned by ordinance or law regulating construction or repair of  
142 buildings; or by interruption of business, manufacturing processes, or otherwise; nor for any  
143 greater proportion of the value of plate glass, frescoes and decorations than that which this  
144 policy shall bear to the whole insurance on the building described.

145 If an application, survey, plan, or description of property be referred to in this policy it  
146 shall be a part of this contract, and a warranty by the insured.

147 In any matter relating to this insurance no person, unless duly authorized in writing,  
148 shall be deemed the agent of this company.

149 This policy may by a renewal be continued under the original stipulations, in considera-  
150 tion of premium for the renewed term, provided that any increase of hazard must be made  
151 known to this company at the time of renewal or this policy shall be void.

152 This policy shall be canceled at any time at the request of the insured; or by the company  
153 by giving five days' notice of such cancellation. If this policy shall be canceled as herein-  
154 before provided, or become void or cease, the premium having been actually paid, the

155 unearned portion shall be returned on surrender of this policy or last renewal; this company  
156 retaining the customary short rate; except that when this policy is canceled by this company  
157 by giving notice it shall retain only the *pro rata* premium.

158 If, with the consent of this company, an interest under this policy shall exist in favor of  
159 a mortgagee or of any person or corporation having an interest in the subject of insurance  
160 other than the interest of the insured as described herein, the conditions hereinbefore con-  
161 tained shall apply in the manner expressed in such provisions and conditions of insurance  
162 relating to such interest as shall be written upon, attached or appended hereto.

163 If property covered by this policy is so endangered by fire as to require removal to a place  
164 of safety, and is so removed, that part of this policy in excess of its proportion of any loss and  
165 of the value of property remaining in the original location, shall, for the ensuing five days  
166 only, cover the property so removed in the new location; if removed to more than one loca-  
167 tion, such excess of this policy shall cover therein for such five days in the proportion that the  
168 value in any one such new location bears to the value in all such new locations; but this com-  
169 pany shall not, in any case of removal, whether to one or more locations, be liable beyond the  
170 proportion that the amount hereby insured shall bear to the total insurance on the whole prop-  
171 erty at the time of fire, whether the same cover in new location or not.

172 If fire occur the insured shall give immediate notice of any loss thereby in writing to this  
173 company, protect the property from further damage, forthwith separate the damaged and  
174 undamaged personal property, put it in the best possible order, make a complete inventory of  
175 the same, stating the quantity and cost of each article and the amount claimed thereon; and,  
176 within sixty days after the fire, unless such time is extended in writing by this company, shall  
177 render a statement to this company, signed and sworn to by said insured, stating the knowl-  
178 edge and belief of the insured as to the time and origin of the fire; the interest of the insured  
179 and of all others in the property; the cash value of each item thereof and the amount of loss  
180 thereon; all incumbrances thereon; all other insurance, whether valid or not, covering any of  
181 said property; and a copy of all the descriptions and schedules in all policies; any changes in  
182 the title, use, occupation, location, possession, or exposures of said property since the issuing  
183 of this policy; by whom and for what purpose any building herein described and the several  
184 parts thereof were occupied at the time of fire; and shall furnish, if required, verified plans and  
185 specifications of any building, fixtures, or machinery destroyed or damaged; and shall also, if  
186 required, furnish a certificate of the magistrate or notary public (not interested in the  
187 claim as a creditor or otherwise, nor related to the insured) living nearest the place of fire,

188 stating that he has examined the circumstances and believes the insured has honestly sustained  
189 loss to the amount that such magistrate or notary public shall certify.

190       The insured, as often as required, shall exhibit to any person designated by this company  
191 all that remains of any property herein described, and submit to examinations under oath by  
192 any person named by this company, and subscribe the same; and, as often as required, shall  
193 produce for examination all books of account, bills, invoices, and other vouchers, or certified  
194 copies thereof if originals be lost, at such reasonable place as may be designated by this com-  
195 pany or its representative, and shall permit extracts and copies thereof to be made.

196       In the event of disagreement as to the amount of loss the same shall, as above provided,  
197 be ascertained by two competent and disinterested appraisers, the insured and this company  
198 each selecting one, and the two so chosen shall first select a competent and disinterested  
199 umpire; the appraisers together shall then estimate and appraise the loss, stating separately  
200 sound value and damage, and, failing to agree, shall submit their differences to the umpire;  
201 and the award in writing of any two shall determine the amount of such loss; the parties  
202 thereto shall pay the appraiser respectively selected by them and shall bear equally the  
203 expenses of the appraisal and umpire.

204       This company shall not be held to have waived any provision or condition of this policy  
205 or any forfeiture thereof by any requirement, act, or proceeding on its part relating to the  
206 appraisal or to any examination herein provided for; and the loss shall not become payable  
207 until sixty days after the notice, ascertainment, estimate, and satisfactory proof of the loss  
208 herein required have been received by this company, including an award by appraisers when  
209 appraisal has been required.

210       This company shall not be liable under this policy for a greater proportion of any loss on  
211 the described property, or for loss by and expense of removal from premises endangered by  
212 fire, than the amount hereby insured shall bear to the whole insurance, whether valid or not,  
213 or by solvent or insolvent insurers, covering such property, and the extent of the application  
214 of the insurance under this policy or of the contribution to be made by this company in case  
215 of loss, may be provided for by agreement or condition written hereon or attached or  
216 appended hereto. Liability for re-insurance shall be as specifically agreed hereon,

217       If this company shall claim that the fire was caused by the act or neglect of any person or  
218 corporation, private or municipal, this company shall, on payment of the loss, be subrogated  
219 to the extent of such payment to all right of recovery by the insured for the loss resulting  
220 therefrom, and such right shall be assigned to this company by the insured on receiving such

221 payment.

222 No suit or action on this policy, for the recovery of any claim, shall be sustainable in any  
223 court of law or equity until after full compliance by the insured with all the foregoing  
224 requirements, nor unless commenced within twelve months next after the fire.

225 Wherever in this policy the word "insured" occurs, it shall be held to include the legal  
226 representative of the insured, and wherever the word "loss" occurs, it shall be deemed the  
227 equivalent of "loss or damage."

228 If this policy be made by a mutual or other company having special regulations lawfully  
229 applicable to its organization, membership, policies or contracts of insurance, such regulations  
230 shall apply to and form a part of this policy as the same may be written or printed upon,  
231 attached, or appended hereto.

232 This policy is made and accepted subject to the foregoing stipulations and conditions,  
233 together with such other provisions, agreements, or conditions as may be indorsed hereon or  
234 added hereto, and no officer, agent, or other representative of this company shall have power  
235 to waive any provision or condition of this policy except such as by the terms of this policy  
236 may be the subject of agreement indorsed hereon or added hereto, and as to such provisions  
237 and conditions no officer, agent, or representative shall have such power or be deemed or held  
238 to have waived such provisions or conditions unless such waiver, if any, shall be written upon  
239 or attached hereto, nor shall any privilege or permission affecting the insurance under this  
240 policy exist or be claimed by the insured unless so written or attached.

241 In witness whereof, this company has executed and attested these presents, but this policy  
242 shall not be valid until countersigned by the duly authorized agent of the company at  
243 .....

244 .....Secretary.....President.

245 Countersigned at.....this.....day of.....190.....

246 .....Agent.

Sec. 2. Any insurance company, its officers or agents, or either of them, violating any  
2 provisions of this act by making, issuing, delivering or offering to deliver any policy of fire insur-  
3 ance on property in this state, except as herein provided, shall be guilty of a misdemeanor, and  
4 upon complaint made by the auditor or insurance commissioner, or by any citizen of this state,  
5 shall, upon conviction thereof, be punished by a fine of not less than fifty dollars, nor more  
6 than one hundred dollars for the first offense, and of not less than one hundred dollars nor  
7 more than two hundred dollars for each subsequent offense, but any policy so made issued and

8 delivered shall, nevertheless, be binding upon the company issuing the same, and such com-  
9 pany shall, until the payment of such fine, be disqualified from doing any insurance business  
10 in this state.

11 All acts or parts of acts in conflict herewith are hereby repealed.